



— State of —
North Dakota
Office of the Governor
John Hoeven
Governor

June 19, 2003

**QUESTIONS AND ANSWERS ABOUT THE
FEDERAL FISCAL RELIEF PACKAGE FOR NORTH DAKOTA**

1. When will North Dakota receive the \$69.6 million in additional federal dollars resulting from the fiscal relief and economic stimulus package?

The federal dollars will come in two parts: about \$19.6 million in increased federal Medicaid dollars, and \$50 million in block grants to the state to be used for expenditures approved by the Legislature for current and future budgets.

The first of the \$19.6 million in increased federal Medicaid dollars should come into the state in September of this year. We will continue to receive an increased amount of federal dollars through June of 2004. At that time, the amount of federal dollars we receive will be reduced to a level below what we are getting now.

The \$50 million flexible block grant portion provides \$25 million in each of the next two federal fiscal years to be used in a manner consistent with the expenditures authorized in the 2003-2005 state budget. We will access the first \$25 million on July 1, 2003, at the beginning of the new biennium, and the second \$25 when it becomes available in October of 2003.

2. How can the money be used?

The Medicaid dollars must be used for healthcare under our state Medicaid plan. The flexible block grant dollars may be used for any expenditures approved in our 2003-2005 budget.

3. Do we need authority from the Legislature to spend the money?

The legislature has already authorized sufficient spending authority for both state and federal Medicaid dollars in the last session, so no additional authority is needed to spend the Medicaid dollars.

The legislature will need to appropriate any expenditures from the \$50 million block grant.

4. Who will serve on the Health Care Working Group, and what will it do?

Represented on the group are the North Dakota Hospital Association, physicians and clinics, pharmacists and the Long Term Care Association. In addition, groups representing health-care consumers, such as AARP and disability advocates will also serve. One of the first tasks of the group will be to make sure we have appropriate representation, so others may be added in the near future. The working group will make recommendations to the Governor for future health-care decisions and budget planning.